



# CDBG Disaster Recovery Framework



U.S. Department of Housing and Urban Development

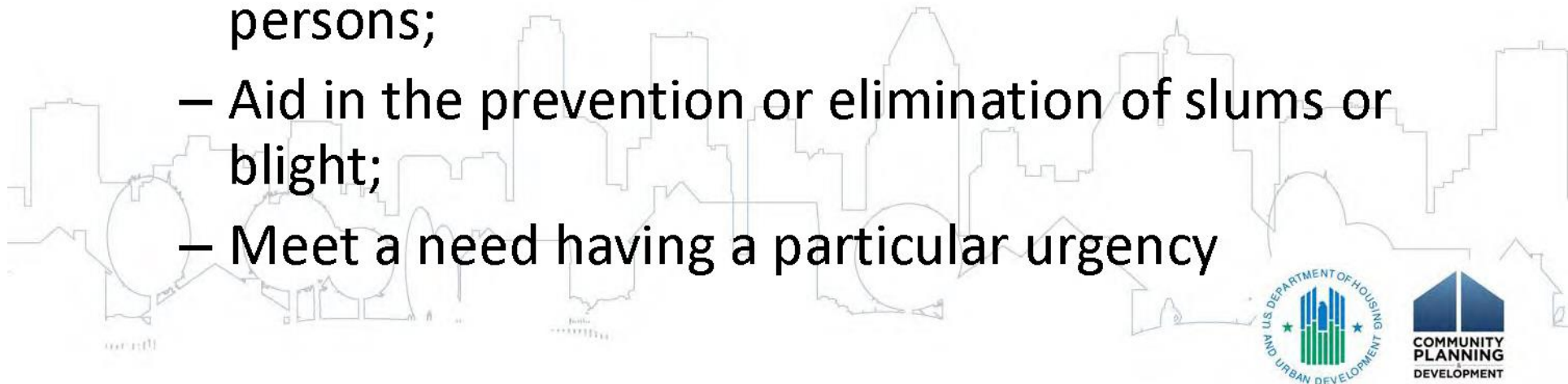


# Community Development Block Grants and Disaster Recovery



# CDBG National Objectives

- The authorizing statute of the CDBG Program requires that each activity funded, except for program administration and planning activities, must meet one of three national objectives:
  - Benefit to low- and moderate- income (LMI) persons;
  - Aid in the prevention or elimination of slums or blight;
  - Meet a need having a particular urgency



# CDBG Eligible Activities

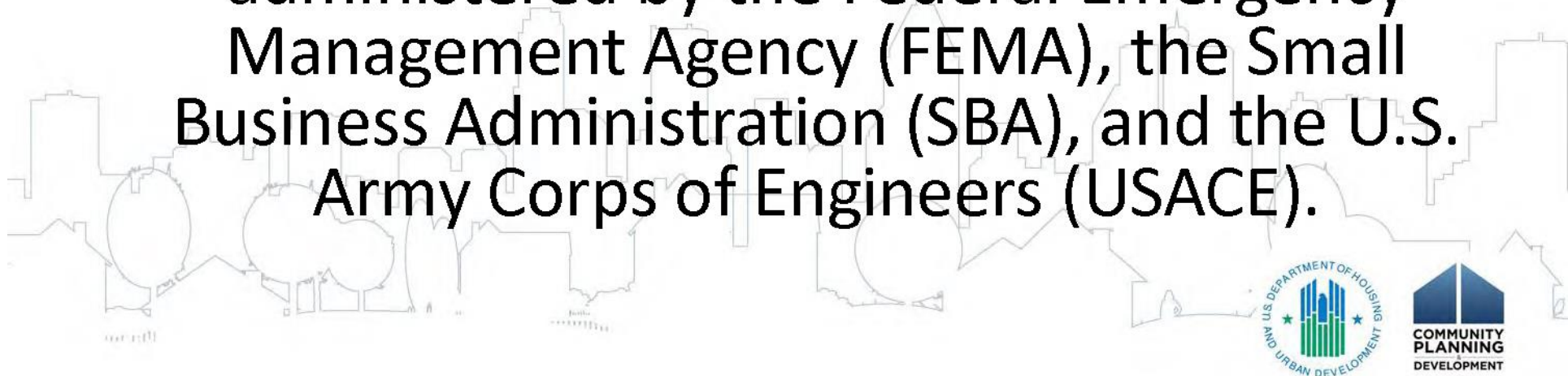
- CDBG regulations permit grantees to undertake a wide range of program activities, which fall under the following general categories:
  - Housing
  - Other Real Properties
  - Public Facilities
  - Public Services
  - Economic Development
  - Community Based Development Organizations
  - Other
  - Planning and Administration



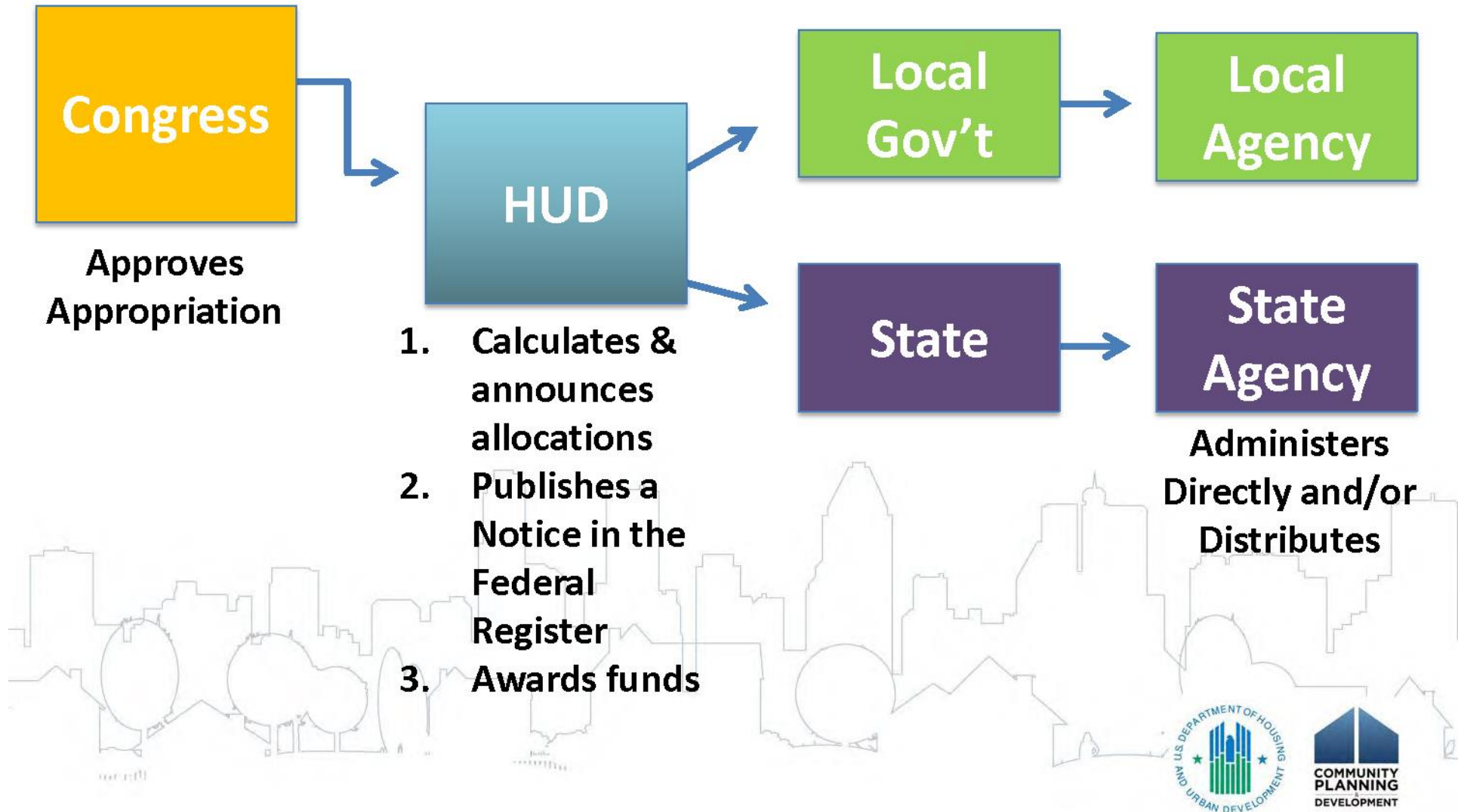


# Why HUD?

Through the flexibility of the CDBG program, HUD is able to assist communities that otherwise might not recover due to limited capacity and resources. CDBG-DR funds supplement the federal government's standard recovery assistance programs administered by the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and the U.S. Army Corps of Engineers (USACE).



# After a disaster is Presidentially-Declared...



# Funding Process: First Steps...

- President declares a disaster.
- Congress appropriates disaster recovery funds.
- HUD uses information from FEMA to assign allocations to affected areas.
- HUD Headquarters prepares a Notice of Allocation for the Federal Register, including waivers and alternative requirements requested by the States.





# Funding Process: Next Steps...

- HUD drafts and completes a Finding of No Significant Impact (FONSI). HUD's Office of General Counsel files it with Docket Clerk.
- HUD completes a 3-5 day clearance on Notice and sends it to Congress to the House and Senate Appropriations Committees for a five-day review.
- HUD Secretary signs Notice and it is sent to the Federal Register.
- Federal Register publishes Notice three days after receiving it.
- Grantee publishes proposed action plan for disaster recovery via the usual methods and on the Internet for a seven-day public comment period.
- Grantee submits final action plan – including any comments made – to their designated HUD office.





# Funding Process: Last Steps

- Upon plan's acceptance, HUD prepares cover letter, grant agreement, and grant conditions.
- Grant agreement is signed between HUD and grantee, obligating funds to the grantee.
- HUD establishes accounts in the Disaster Recovery Grant Reporting (DRGR) system and authorizes users from the grantee to access funds.\*
- State enters action plan into DRGR, which is accepted by HUD.
- Upon completing environmental reviews, grantee can draw funds in DRGR for eligible activities.
- Grantee must submit a Quarterly Progress Report (QPR) in DRGR beginning 30 days after the first full quarter that the grant has been executed.

\*Note that all disaster recovery funds must be recorded in DRGR.



# Funding and Management Overview

## CDBG-DR Grantees

- Total of 45 CDBG-DR grantees
  - 31 states
  - 14 local governments
- Total of \$30.1 Billion

## HUD Management of CDBG-DR

- HUD HQ manages larger grantees (LA, MS, TX, NY, IA, FL).
- All other grantees managed by respective HUD CPD Field Office.
- HUD HQ provides support when necessary.



# Roles & Responsibilities





# HUD Role & Responsibility

- Review action plans and obligate funds
- Provide grantees with guidance and technical assistance
- Monitoring and oversight to ensure performance and compliance



# Grantee Role & Responsibility

- Establish internal controls to ensure performance and compliance; monitor subrecipients for same.
- Provide technical assistance to subgrantees and subrecipients
- Review project applications to ensure that all activities are eligible
- Ensure that activities are compliant with all other requirements such as Section 3 and affirmatively furthering fair housing
- Track progress to ensure timely recovery



# Disaster- Related Activities

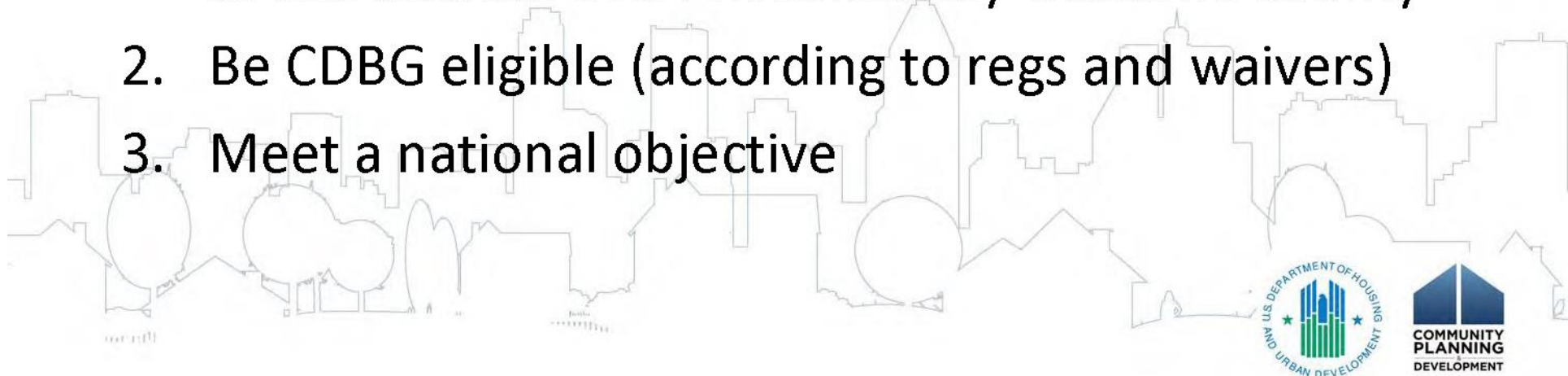




# What does this mean?

In the context of CDBG disaster recovery, this means that each activity must:

1. Be disaster-related in that it clearly demonstrates a connection to addressing a direct or indirect impact of the disaster in a Presidentially-declared county
2. Be CDBG eligible (according to regs and waivers)
3. Meet a national objective

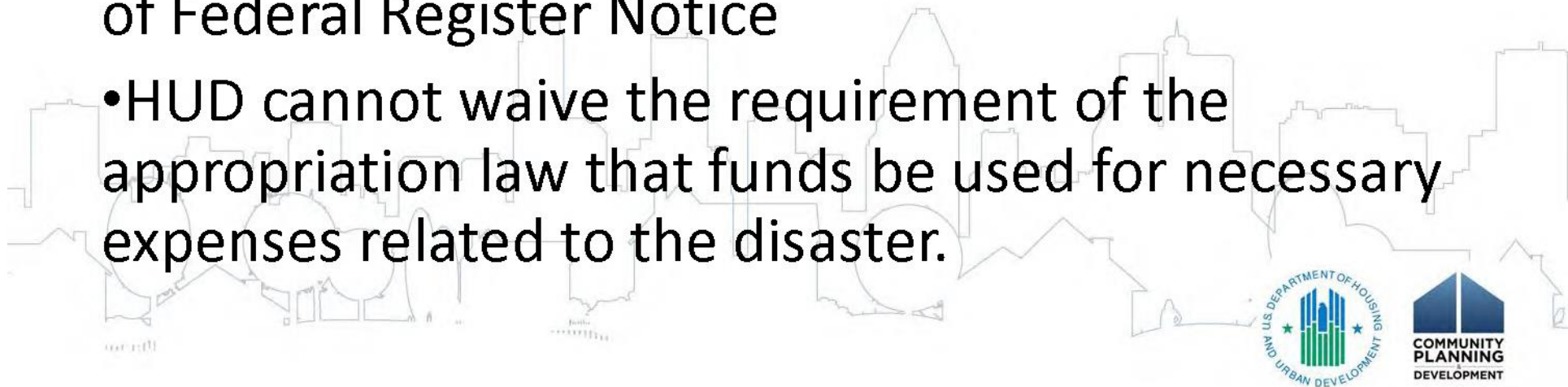


# Waivers and Alternative Requirements



# Waiver Basics

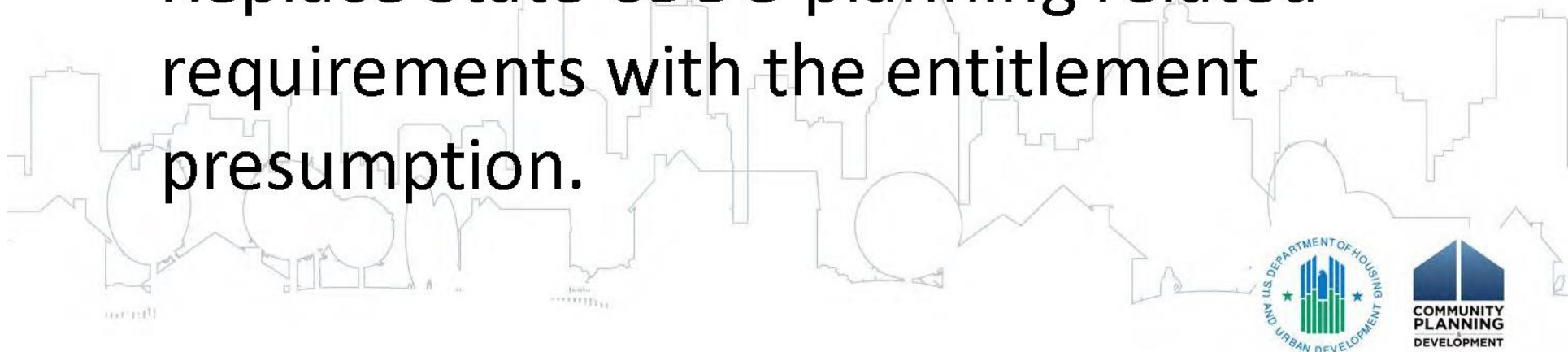
- The appropriations laws give the Secretary authority to grant waivers or specify alternative requirements
- Allow greater flexibility for grantees to respond to their communities' specific disaster needs.
- Grantees must request waivers before publication of Federal Register Notice
- HUD cannot waive the requirement of the appropriation law that funds be used for necessary expenses related to the disaster.





# Waivers and Alternative Requirements

- Waive overall benefit from 70% to 50% LMI.
- Allow up to 5% of grant to be used for admin costs.
- Replace State CDBG planning related requirements with the entitlement presumption.





# Types of Housing Programs

- Single Family Repair:  
Minor & Major Repair Programs
- Single Family Compensation and Reimbursement
- Rental Repair
- Homelessness Recovery & Prevention
- Interim Mortgage/Rental Assistance
- Multi-Family Mixed Income or  
Low- to Moderate-Income Housing Developments
- First Time Homebuyers



# Types of Infrastructure Projects

- Levees
- Drainage
- Roads
- Water Treatment Systems
- Community Centers
- Fire Departments/Governmental Buildings
- Public Facilities/Public Works Project  
(limitations on privately owned utilities)
- A note on Resilient Infrastructure





# Types of Economic Development Programs

- Small Business Recovery Programs (Grants, Loans or Combination)
- Workforce Development
- Small Business Technical Assistance
- Infrastructure Investments to Private Companies resulting in job creation or retention
- Tourism
- Agriculture (Agri-business, Loans & Grants)
- Fisheries



# Other/Planning Programs

- Recovery Planning Processes
- Comprehensive Resiliency Plans
- Local Ordinances and Codes



# Disaster Recovery Unit Organization Chart

